

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Sara L. Hensley
Larry D. Lisenbee

SUBJECT: SAN JOSE ANIMAL CARE CENTER **DATE:** 03-10-05
TENANT IMPROVEMENTS #1
SPAY & NEUTER CLINIC

Approved

Ray Winer

Date

3/9/05

Council District: Citywide

RECOMMENDATION

- a) Report on bids and award of contract for the Animal Care Center, Tenant Improvements #1, Spay & Neuter Clinic Project to the low bidder Absolut Construction Corporation, to include the base bid and Add Alternate No. 1 in the amount of \$662,000, and approval of a contingency in the amount of \$ 66,000.
- b) Adoption of the following Appropriation Ordinance Amendments in the General Fund:
 - 1) Increase the Animal Shelter Facility Expansion capital project by \$153,000
 - 2) Decrease the Contingency Reserve by \$153,000.

CEQA: Mitigated Negative Declaration, File No. H01-01-003.

BACKGROUND

The Animal Care Center was completed for use at the end of last year. Several areas within the completed building envelope were left unfinished due to initial funding limits. The Spay and Neuter Clinic project is the first of several interior and exterior improvement projects that will complete the build out of the Animal Care Shelter.

The project will both add a spay/neuter clinic and increase the cat holding capacity. These two areas will provide short term and long-term relief to overcrowding in the facility. The addition of 120 cat cages will allow the facility more time to hold cats for adoption and animal rescue groups. The spay/neuter clinic is a low cost public clinic that would primarily address the substantial stray cat population in San José by reducing the number of breeding cats. The clinic will provide a long-term proactive program to decrease the number of cats entering the Animal Care Center. Both measures will reduce the rate of euthanasia occurring at the facility.

In addition to the base bid scope of work there is on Add Alternate bid item as follows:

Add Alternate No. 1: Acceleration of the construction schedule to allow early occupancy / operation of the cat holding areas.

Construction is scheduled to begin in April 2005. With the award of Add Alternate No. 1, the early completion of the cat holding areas is scheduled in June 2005 and the remainder of this project to be completed in September 2005.

ANALYSIS

Bids were opened on February 24, 2005 with the following results:

| <u>Contractor</u> | <u>Base Bid</u> | <u>Add Alt Total</u> | <u>Total Bid</u> | <u>Variance Amount</u> | <u>Over/ (Under) Percent</u> |
|--|-----------------|--------------------------|------------------|----------------------------|--------------------------------------|
| G. Swanson Construction Inc. (Milpitas) | \$976,604 | \$10,000 | \$986,604 | \$356,604 | 57 |
| Ferotte Construction (Gilroy) | 850,000 | 15,000 | 865,000 | 235,000 | 37 |
| ESR Construction (Fremont) | 784,350 | 67,500 | 851,850 | 221,850 | 35 |
| Permian Builders (San José) | 802,689 | Not Submitted | 802,689 | 172,689 | 27 |
| Absolute Construction (San Francisco) | 652,000 | 10,000 | 662,000 | 32,000 | 5 |
| Engineer's Estimate | 590,000 | 40,000 | 630,000 | - | - |

| <u>Contractor</u> | <u>Add Alt. No.1</u> |
|------------------------------|----------------------|
| G. Swanson Construction Inc. | \$10,000 |
| Ferotte Construction | 15,000 |
| ESR Construction | 67,500 |
| Permian Builders | Not Submitted |
| Absolut Construction Corp. | 10,000 |
| Engineer's Estimate | 40,000 |

The low bid submitted by Absolut Construction Corp. is five percent over the Engineer's Estimate. Staff considers this reasonable for the work involved in the project. Add Alternate No. 1 is recommended for award. The project budget is sufficient to accommodate this addition to the project.

Included in the contract are requirements for the coordination and installation of City provided Equipment. Kennels, cat cages, surgery tables and other equipment will be purchased by the City and installed and/or coordinated with other work performed by the low bidder. The costs for these items are listed in the Cost Implications section as FT&E.

Council policy provides for a standard contingency of 15 percent on public works remodel projects. Given the relatively recent completion of the Animal Care Center building within which this project is being constructed, a contingency of approximately ten percent is appropriate.

Based on the construction bids received, an additional funding of \$253,000 is needed to complete the project. When this budget was developed, \$1 million was allocated for both the facility expansion project and for non-construction costs associated with purchasing three vehicles to serve an expanded service area. It is recommended that \$100,000 be provided from the operating budget of the Animal Shelter and \$153,000 from the General Fund Contingency Reserve to fund this shortfall.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the Departments of Finance and Planning, Building and Code Enforcement and the City Attorney's Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$ 662,000

2. COST OF PROJECT:

| | |
|---|--------------------|
| Project Delivery | \$215,000 |
| Construction | 662,000 |
| Contingency | 66,000 |
| FT&E | 130,000 |
| TOTAL CONSTRUCTION PROJECT COSTS | \$1,073,000 |

| | |
|---|--------------------|
| Non-Construction Costs (Purchase of 3 Vehicles) | 180,000 |
| Prior Year Expenditures | (0.00) |
| REMAINING PROJECT COSTS | \$1,253,000 |

3. SOURCE OF FUNDING: 001-General Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

BUDGET REFERENCE

| Fund # | Appn. # | Appn. Name | RC # | Total Appn. | Amt. For Contract | 2004-2005 Adopted Budget Page | Last Budget Action (Date, Ord. No.) |
|---------------------------------------|---------|-----------------------------------|--------|--------------------|-------------------|--|-------------------------------------|
| Remaining Project Costs: | | | | \$1,253,000 | | | |
| Current Funding Available: | | | | | | | |
| 001 | 4889 | Animal Shelter Facility Expansion | 13399x | \$1,000,000 | \$ 662,000 | Adopted Capital Budget, Page V - 1167 | |
| 001 | 3066 | Animal Care and Service Program | 013790 | \$100,000* | | Adopted Operating Budget, Page V - 102 | 02/08/2005, Ord. No. 27350 |
| | | TOTAL | | \$1,100,000 | \$662,000 | | |
| Additional Funding Recommended | | | | | | | |
| 001 | | Contingency Reserve | | \$153,000** | | Adopted Operating Budget, Page IX - 18 | 02/08/2005, Ord. No. 27350 |
| Total Funding Recommended | | | | \$1,253,000 | \$662,000 | | |

* A total of \$100,000 from the \$5.6 million operating budget for the Animal Shelter would be allocated to this expansion project.

** A total of \$153,000 from the \$25.3 million General Fund Contingency Reserve is recommended for this project.

HONORABLE MAYOR AND CITY COUNCIL

03-10-05

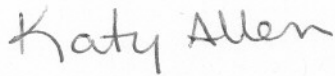
Subject: S.J.A.C.C., Tenant Improvement #1 Spay & Neuter Clinic

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CEQA

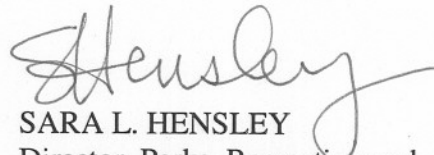
Mitigated Negative Declaration, File No. H01-01-003.

On April 17, 2001, the Director of Planning approved a Site Development Permit for the Animal Care and Services Project. Incorporated into the Site Development Permit are the mitigation measures from the Mitigated Negative Declaration.



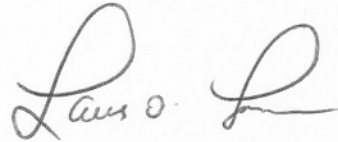
KATY ALLEN

Director, Public Works Department



SARA L. HENSLEY

Director, Parks, Recreation and
Neighborhood Services Department



LARRY D. LISENBEE

Budget Director

KT:DP:dp

Attachment

